



For Immediate Release

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**Davidson Hotel Company/RockBridge Partners Joint Venture
Acquires Hilton Memphis**

Davidson to Continue Operating Hotel

MEMPHIS, Tenn., May 15, 2007—RockBridge Partners, an affiliate of RockBridge Capital, LLC, and Davidson Hotel Company, one of the nation’s largest hotel management companies, today announced the joint venture acquisition of the 405-room Hilton in Memphis, Tennessee, from CHD Memphis I, LLC, a joint venture comprised of Wilton D. “Chick” Hill and Dallas-based Crow Holdings, for an unspecified amount. Davidson will continue to operate the property. The hotel recently underwent a major \$12 million renovation and will receive an additional \$8 million in improvements over the next three years.

“This is a landmark hotel in Memphis that has changed brands a number of times, but never could seem to find its true personality,” said John Belden, Davidson’s president and chief executive officer. “Through Chick Hill’s vision for the property and his commitment to Memphis, Davidson was able to acquire the property and complete a \$12 million renovation in 2004 as a part of the subsequent re-branding to the Hilton flag. The hotel has gone from ‘last to

first' in this sector of Memphis and now is one of the city's leading hotels. We believe the property continues to have significant upside potential and look forward to building on its recent success."

Located in the heart of the East Memphis business district at I-240 and Poplar Avenue, the landmark, 27-story glass tower hotel was designed in 1974 by the late, renowned Memphis architect Francis Mah. One of the premier examples of Late Modernism in the region, the hotel features an atrium lobby, restaurant, fitness facility, more than 25,000 square feet of conference and banquet space and a signature lobby lounge that has become East Memphis' "living room."

"This is our seventh joint venture acquisition with Davidson," said James T. Merkel, managing director of RockBridge. "Davidson has done an exceptional job in repositioning the Hilton Memphis and we feel there is considerable upside yet to be realized. With their combined hospitality expertise as both an owner and operator, they have proven to be an invaluable partner and we look forward to exploring additional opportunities with them going forward."

About RockBridge Partners

RockBridge Partners was formed as the equity platform of RockBridge Capital, LLC. RockBridge provides capital to the hospitality industry through its Hospitality Funds and focuses on both debt and equity investments. RockBridge invests first mortgage, mezzanine, and equity capital in hotels throughout the U.S. with a focus on creating value for its hotel operating partners. Since 1992, RockBridge has invested nearly \$2.5 billion in more than 300 assets nationwide with aggregate transaction capitalization of more than \$4 billion. For additional information about RockBridge Capital, contact James T. Merkel at (614) 246-2505 or visit www.rockbridgecapital.com.

About Davidson Hotel Company

Headquartered in Memphis, Tennessee, Davidson Hotel Company is an award-winning, full-service hotel owner and third-party management company that provides management, development/renovation, acquisition, consulting and accounting expertise to the hospitality industry. The company, currently ranked as the 10th-largest independent management company in the country, owns and/or manages 30 upscale hotels with nearly 8,900 rooms across the United States, including such brands as Westin, Sheraton, Hyatt, Hilton, Hilton Garden Inn, Embassy Suites, Doubletree, Marriott, Renaissance, Crowne Plaza and Holiday Inn. Additional information on Davidson may be found at the company's Web site, www.davidsonhotels.com.